

**LEGISLATIVE SERVICES AGENCY
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FISCAL IMPACT STATEMENT

LS 7069

BILL NUMBER: HB 1394

NOTE PREPARED: Feb 20, 2013

BILL AMENDED: Feb 18, 2013

SUBJECT: Various Business Law Matters.

FIRST AUTHOR: Rep. Steuerwald

FIRST SPONSOR:

BILL STATUS: 2nd Reading - 1st House

FUNDS AFFECTED: ☒ **GENERAL**
DEDICATED
FEDERAL

IMPACT: State

Summary of Legislation: This bill makes the following changes:

1. Non-profit entities and limited liability partnerships (LLP) may have an agent, CPA, or an employed or retained attorney file their required annual or biennial reports with the Secretary of State.
2. Limited Partnerships may electronically file, transmit and sign certificates required to be filed with the Secretary of State.
3. Limited liability corporations (LLC) may establish officers in their written agreement.
4. The bill states the powers that may be granted to the officers of an LLC.
5. The bill allows the LLC to establish dissolution conditions and establish who has the right to vote at dissolution.
6. The bill specifies the procedure on how to distribute the assets of a LLC upon the death of a member if not established in the written agreement.
7. In the event of a merger, LLCs are required to file any amendments to their articles of organization set forth in the plan of the merger to the Secretary of State and not the complete plan of merger.

Effective Date: July 1, 2013.

Explanation of State Expenditures: *Secretary of State:* The bill changes some of the filing procedures for LLCs, non-profits, LLPs, and limited partnerships. The bill's requirements are within the agency's routine administrative functions and should be able to be implemented with no additional appropriations, assuming near customary agency staffing and resource levels.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Secretary of State.

Local Agencies Affected:

Information Sources:

Fiscal Analyst: Heath Holloway, 232-9867.